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Third Party Plaintiffs PCJV USA, LLC, PCI
TRADING LLC, POTATO CORNER LA
GROUP, LLC, GK CAPITAL GROUP, LLC,
NKM CAPITAL GROUP, LLC and GUY
KOREN, and Defendants J & K AMERICANA,
LLC, J&K LAKEWOOD, LLC, J&K
OAKRIDGE, LLC, J&K VALLEY FAIR, LLC, J
& K ONTARIO, LLC, J&K PC TRUCKS, LLC,
HLK MILPITAS, LLC, and GK CERRITOS, LLC

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SHAKEY'S PIZZA ASIA VENTURES,
INC, a Philippines corporation,

Plaintiff,

vs.

PCJV USA, LLC, a Delaware limited
liability company; PCI TRADING , LLC, a
Delaware limited liability company; GUY
KOREN, an individual; POTATO CORNER
LA GROUP, LLC, a California limited
liability company; NKM CAPITAL GROUP,
LLC, a California limited liability company;
J & K AMERICANA, LLC, a California
limited liability company; J&K
LAKEWOOD, LLC, a California limited
liability company; J&K VALLEY FAIR,
LLC, a California limited liability company;
J & K ONTARIO, LLC, a California limited
liability company; HLK MILPITAS, LLC, a
California, limited liability company; GK
CERRITOS, LLC, a California, limited
liability company; J&K PC TRUCKS, LLC,
a California limited liability company; and,
GK CAPITAL GROUP, LLC, a California

Case No. 2:24-CV-04546-SB(AGRx)

Hon. Stanley Blumenfeld, Jr.

**DECLARATION OF ERLINDA
"LYNDAH" S. BARTOLOME**

Complaint Filed: May 31, 2024
Trial Date: September 26,
2025

limited liability company and DOES 1
through 100, inclusive,

Defendants.

PCJV USA, LLC, a Delaware limited
liability company; PCI TRADING LLC, a
Delaware limited liability company;
POTATO CORNER LA GROUP LLC, a
California limited liability company; GK
CAPITAL GROUP, LLC, a California
limited liability company; NKM CAPITAL
GROUP LLC, a California limited liability
company; and GUY KOREN, an individual,

Counter-Claimants,

v.

SHAKEY'S PIZZA ASIA VENTURES,
INC, a Philippines corporation,

Counter Defendant.

PCJV USA, LLC, a Delaware limited
liability company; PCI TRADING LLC, a
Delaware limited liability company;
POTATO CORNER LA GROUP LLC, a
California limited liability company; GK
CAPITAL GROUP, LLC, a California
limited liability company; NKM CAPITAL
GROUP LLC, a California limited liability
company; and GUY KOREN, an individual,

Third Party Plaintiffs,

v.

PC INTERNATIONAL PTE LTD., a
Singapore business entity; SPAVI
INTERNATIONAL USA, INC., a California
corporation; CINCO CORPORATION, a
Philippines corporation; and ROES 1 through
10, inclusive,

Third Party Defendants.

1 **DECLARATION OF ERLINDA “LYNDAH” S. BARTOLOME**

2 I, Erlinda “Lyndah” S. Bartolome, declare as follows:

3 1. I am over 18 years old. I have personal knowledge of the facts set forth
4 in this declaration, and if called upon to testify under oath, I could and would testify
5 competently thereto.

6 **My Background and Role**

7 2. Cinco Corporation (“Cinco”) engaged me in 1997 to help develop
8 Potato Corner’s franchise program in the Philippines. Beginning around 2008,
9 Cinco asked me to assist with international franchising, including the United States
10 effort led by Guy Koren.

11 3. From 2008 for approximately a decade, I worked closely with Cinco’s
12 CEO, Jose P. Magsaysay, Jr. (“Mr. Magsaysay” a/k/a “JoMag”), and with the Los
13 Angeles group led by Mr. Koren on establishing the U.S. Potato Corner business,
14 which came to be known as “Potato Corner USA.”

15 4. From inception of the U.S. joint venture partnership through the
16 formation of PCJV USA, LLC (“PCJV”) and thereafter, I served as Corporate
17 Secretary, kept minutes, and coordinated documents among the parties, DLA Piper
18 LLP, and SingerLewak (the auditors that DLA Piper chose to engage).

19 **Formation; Governing Structure; Indefinite Duration**

20 5. In April–May 2010, Cinco principals (Messrs. Magsaysay, Montelibano,
21 Montinola, and Ms. Bermejo) met repeatedly in Los Angeles with Mr. Koren and
22 his partners to structure a U.S. joint venture to develop and franchise Potato Corner.
23 I attended and recorded minutes. Some meetings occurred at the Santa Anita
24 location operated by NKM Capital Group, LLC, which had opened a few months
25 earlier and was the first U.S. Potato Corner location.

26 6. By that time, Mr. Koren (through NKM) had negotiated and operated
27 under exclusive territorial rights. On advice from DLA Piper, Cinco understood that
28 a compliant U.S. franchise system was required because NKM’s existing license did

1 not satisfy U.S. franchise law. Cinco asked the LA Group to build that system while
2 the parties negotiated their respective rights.

3 7. By that point, Mr. Koren had developed a U.S.-oriented quick-service
4 restaurant model significantly distinct from then-existing international formats. In
5 connection with transitioning the LA Group from licensee to franchisor, the parties
6 discussed and agreed in principle that the U.S. (and Israel) would be allocated to the
7 venture.

8 8. By May 30, 2010, the parties had agreed on essential partnership terms,
9 with the Potato Corner trademarks as the central asset. The first circulating draft of
10 the Joint Venture Agreement (which I circulated on April 20, 2010) preceded the
11 May 30, 2010 partnership meeting. A true and correct copy is attached to the
12 Appendix at Trial Ex. 1010.

13 9. Sections 1.1.1–1.1.3 of the April 20, 2010 JVA draft contemplated
14 assigning trademarks to a Hong Kong entity (for tax purposes) and granting a
15 “master license” from that entity to the Company, with income from that IP equally
16 shared by Cinco (via the Hong Kong entity) and the LA Group. In exchange, Cinco
17 and its principals would receive 60% Company ownership (Section 2.4). The parties
18 later removed the Hong Kong entity to create a direct relationship and ensure both
19 sides were directly bound by the consent and transfer-restriction provisions.

20 10. Cinco’s contribution to the joint venture partnership and the Company
21 that would act as the U.S. Potato Corner master franchisor was its intellectual
22 property, from which each side would benefit equally. The May 30, 2010 board
23 minutes I drafted (a true and correct copy of which is attached to the Appendix at
24 Trial Ex. 1019) reflect the formation of the partnership on that understanding.

25 11. Subsequent JVA drafts maintained equal economic sharing provisions
26 from the grant of the intellectual property. On June 11, 2010, I added the term
27 “initial/franchise fees and on going royalty” to the economic-sharing provisions to
28 clarify equal participation from the economic benefits of the IP for each side. That

1 language remained in final agreements. I must emphasize that from the outset,
2 Cinco's contribution to the joint venture and the Company was its IP, which was
3 never intended to be revocable at-will. A true and correct copy of the June 11, 2010
4 JVA draft with my redline is attached to the Appendix at Trial Ex. 1023. All of the
5 JVA drafts in sequential order are attached to the Appendix at Trial Ex. 1010 (April
6 20, 2010 draft), 1020 (June 1, 2010 draft), 1023 (June 11, 2010 draft), 1025 (June
7 28, 2010 draft), 1096 (July 2, 2010 draft), 1028 (September 16, 2010 draft).

8 12. From 2010–2012, the parties negotiated and implemented the governing
9 agreements: the Joint Venture Agreement (“JVA”), its First Amendment (October
10 2012), and the Limited Liability Company Agreement (2012) (collectively, the
11 “Governing Agreements”). True and correct copies of these Governing Agreements
12 are attached to the Appendix at Trial Ex. 1050, 1053, and 62, respectively.

13 13. I circulated drafts, comments, and board actions. As reflected in Trial
14 Ex. 1023 and later governance documents, the venture's use of the IP had no fixed
15 term and required supermajority or mutual consent for termination. Indeed, the
16 parties negotiated against a 10-year term proposed by DLA Piper and Mr.
17 Magsaysay himself directed that the joint venture and Company have long-term,
18 indefinite rights to use the trademarks. By that point, Mr. Koren had established
19 “proof of concept” in the United States through NKM's prototype Santa Anita
20 location. Cinco and its principals were 100% comfortable vesting control and
21 proliferation of the trademarks in the United States with Mr. Koren and his group.

22 14. The Governing Agreements authorized PCJV to establish, operate,
23 manage, license, and franchise U.S. Potato Corner outlets. Day-to-day operational
24 and licensing responsibilities were vested in PCJV's President and the LA Group
25 under the JVA, LLC Agreement, and the June 18, 2012 Master Services Agreement
26 (a true and correct copy of which is attached to the Appendix at Trial Ex. 1045)
27 signed by Mr. Magsaysay and LA Group members. During my tenure, PCJV
28 continued to operate and perform the functions of the U.S. franchisor.

1 15. I understand Plaintiff contends the JVA required a separate, executed
2 “Master License Agreement” before PCJV could use the IP long-term. This is the
3 wrong interpretation of the Governing Agreements. The partners had already agreed
4 to the license economics (equal sharing of specified fees, with indefinite duration),
5 and the JVA directed the Company to accept and implement those pre-agreed terms.

6 16. After the parties already had agreed to these terms, DLA Piper and
7 SingerLewak recommended documenting a stand-alone license agreement to
8 facilitate audits and franchise regulatory approvals. DLA Piper, thus, drafted a
9 “Trademark, Copyright, and Know-How License Agreement,” which Mr. Koren
10 signed at my request for compliance purposes. My note—‘Do we still charge?’—
11 reflected our discussions with DLA Piper’s franchise attorney, Kim Lambert, that
12 removing significant revenue from PCJV could signal insufficient financial support
13 for franchisees and jeopardize regulatory approval. The parties therefore and
14 thereafter agreed to waive the 30%/30% fees to prioritize growth and maintain
15 financial support within PCJV. Through annual audits, both sides approved and
16 reflected this waiver, and Cinco agreed to receive distributions consistent with its
17 60% ownership interest instead (and through sale of supplies to PCJV and PCI
18 Trading through Highfive Corporation, Cinco’s supply chain entity). News of Potato
19 Corner’s expansion into the United States also delivered immediate economic
20 benefits to Cinco in the Philippines, rising sales by 30%, and used as a marketing
21 tool to grow and expand internationally.

22 17. During FDD preparation and audits, DLA Piper decided to insert a
23 50-year license term (20 years plus three automatic 10-year renewals) in FDDs for
24 regulators and prospective franchisees because they felt that hinging termination on
25 a 75% termination vote may be unclear for regulators and prospective franchisees,
26 and would raise questions. The parties always understood that the joint venture’s
27 and PCJV’s IP rights to be long-term and continuing, and any stated term, i.e., a 50-
28

1 year term, would be extended in the ordinary course. The 50-year term was used for
2 disclosure clarity, not to shorten the parties' agreed duration.

3 18. Plaintiff asserts the First Amendment to the JVA removed Cinco. The
4 October 16, 2012 board minutes (which I drafted, a true and correct copy of which
5 is attached to the Appendix at Trial Ex. 1052) show the purpose was to add
6 protections for certain PCJV officers. Where I inserted "Potato Corner International,
7 Inc." or "PCI," I did so believing PCI held an economic interest for tax savings and
8 immigration purposes that Cinco wanted to implement. It was not intended to
9 remove Cinco from ownership, and the LLC Agreement was not amended to do so.

10 19. True and correct copies of DLA Piper billing statements for structuring
11 the joint venture and PCJV, all of which I received in the ordinary course of
12 business, are attached to the Appendix at Trial Exs. 1038–1041. They and other
13 contemporaneous communications reflect the following timeline regarding the
14 drafting and implementation of a separate license agreement:

- 15 a. October 28, 2010: Kim Lambert billed for "draft of Trademark,
16 Copyright and Know-how License Agreement" (Trial Ex. 1041).
17 b. January 4, 2011: Ben Olivas¹ emailed me to ask if I have a draft
18 Master License Agreement. A true and correct copy of that
19 communication is attached to the Appendix at Trial Ex. 1032.
20 c. January 18, 2011: Kim Lambert wrote us: "1. The current FDD
21 states in Item 13 that the Trademark, Copyright and Know-How
22 License Agreement was signed on October 1, 2010. If that is not
23 the case, we will need to amend the FDD to reflect the date that
24 this License Agreement is actually signed. 2. Please ask the
25 accountants to change the name of this License Agreement from

26 ¹ Mr. Olivas was a partner at DLA Piper and a childhood friend of Mr. Magsaysay.
27 Mr. Magsaysay insisted to engage him and his colleagues at DLA Piper to perform
28 the work involved in setting up the franchise system. Mr. Olivas also became a part
owner of Potato Corner International, Inc. ("PCI").

1 “Master Licensing Agreement” to “Trademark, Copyright and
2 Know-How License Agreement” as the reference to Master
3 License Agreement may confuse the examiner.” A true and
4 correct copy of this email is attached to the Appendix at Trial Ex.
5 75.

6 d. January 18, 2011: Kim Lambert billed for “review of date of
7 execution of Trademark License Agreement” (Trial Ex. 1039).

8 e. February 7, 2011: Ben Olivas billed for “Meet with Mr. J.
9 Magsaysay to discuss, finalize and sign FDD application” (Trial
10 Ex. 1038).

11 f. February 7, 2011: the first set of FDDs (a true and correct copy of
12 which are attached to the Appendix at Trial Ex. 1034) are issued.
13 Those FDDs refer to the license agreement as the “Trademark
14 License Agreement,” the same way Ms. Lambert described it in
15 her January 18, 2011 billing entry (no longer using the term
16 “Trademark, Copyright and Know-How License Agreement”).

17 20. Based on these records, by the time Mr. Magsaysay signed the February
18 7, 2011 FDDs, it is clear that the license agreement title and execution-date issues
19 identified on January 18, 2011 had been addressed for FDD purposes, and the first
20 FDDs were issued and approved, authorizing PCJV to sell franchises, and granting
21 those franchises long-term Potato Corner IP rights.²

22 PCJV as U.S. Master Franchisor; Franchise Agreements and Goodwill

23 21. PCJV’s franchise form granted ten-year initial terms with renewal rights
24 and provided that goodwill arising from franchisees’ use of the marks inured to
25 PCJV as franchisor.

26 ///

27 ² Ultimately, the pre-existing stores (including NKM’s store at Santa Anita) was
28 adopted into PCJV’s franchise system.

1 22. From 2011 onward, franchise sales and regulatory compliance were
2 conducted through PCJV as franchisor.

3 23. U.S. franchisees obtained rights to use the Potato Corner marks via
4 PCJV-issued franchise agreements throughout my service.

5 Ownership and Economics; Course of Dealing

6 24. The parties implemented a 60/40 ownership (Cinco Group/LA Group)
7 and managed PCJV through seven managers (four Cinco-side, three LA Group).
8 Consistent with the Governing Agreements and alongside the Master Services
9 Agreement, PCJV exercised franchisor rights; the LA Group handled operations and
10 licensing; and Cinco and the LA Group were to share equally in initial franchise
11 fees and ongoing royalties received by PCJV from U.S. franchisees.

12 25. In 2015, to meet regulatory capital needs, PCJV conducted a members'
13 meeting and capital call. Cinco contributed \$300,000 (through its U.S. vehicle) and
14 the LA Group contributed \$200,000. These steps supported PCJV's franchisor status
15 and compliance.

16 26. At various points in time in meetings I attended and while I was party to
17 various communications, there were discussions regarding "naked licensing." Cinco
18 and its principals were warned against that potential outcome.

19 Records Provided; the State Court Actions

20 27. In 2016, at the request of Cinco's then-new principals, I assembled
21 PCJV's records (Governing Agreements, minutes, FDDs, financials, and tax filings)
22 for their due diligence on the U.S. business. Those records reflected PCJV as U.S.
23 franchisor governed by the JVA, LLC Agreement, and Master Services Agreement,
24 with long-term franchise agreements in place.

25 28. I assisted the parties regarding the 2018 state court disputes and
26 regularly communicated with Mr. Magsaysay and Mr. Koren. Based on my
27 involvement, I understood those actions were aimed at changing control of PCJV,
28 including on claims I found to lack merit and common sense, and also contradict the

1 parties' intensions, i.e., on claims that Mr. Koren improperly moved banking
2 relationships or was not paying royalties (even though Cinco had waived those
3 royalties). In my opinion, those claims were designed by Cinco's new majority
4 ownership group (including by Myrose Victor who I understand is now part of
5 Plaintiff SPAVI) as a strategic maneuver to take control of PCJV. In my further
6 opinion, this federal court action by Plaintiff SPAVI is more of the same, just
7 designed differently.

8 29. In the state court action, I assisted Mr. Koren in preparing declarations
9 in his capacity as PCJV President as well as to prepare my own declarations. I must
10 inform the Court that during that litigation, Mr. Magsaysay continued to be friendly
11 with Mr. Koren, communicating with him (and me) privately. At one point, Mr.
12 Magsaysay asked Mr. Koren to employ him at PCJV so that the two could continue
13 to proliferate and expand Potato Corner USA together.

14 30. It is my firm belief that Mr. Magsaysay was always and continues to be
15 fond of Mr. Koren and considers Mr. Koren as the "JoMag of the United States." It
16 always has surprised me that Mr. Magsaysay has been executing declarations
17 supporting claims against Mr. Koren. It does not surprise me, however, that no other
18 member of the Cinco Group (Bermejo, Montelibano, Montinola) has supported
19 these claims.

20 31. I reviewed Cinco's verified pleadings and declarations in the state
21 actions (true and correct copies of which are attached to the Appendix at Trial Exs.
22 1076-79, 1084, 1086, 1413). In those filings, Cinco affirmed that: (a) PCJV's
23 business, reputation, and goodwill were at stake in the U.S.; (b) the JVA and LLC
24 structure governed use and licensing of the Potato Corner marks in the U.S.; and (c)
25 Cinco's U.S. economic rights were its agreed share of initial fees and royalties paid
26 to PCJV by franchisees. These statements match the course of dealing I observed
27 since 2010.

28 ///

1 Key Facts

2 32. Based on my role and the records I handled:

- 3 a. Since 2010, PCJV served—and was held out—as the sole U.S.
4 master franchisor.
- 5 b. Each U.S. franchise agreement granting rights to use the marks
6 was issued by PCJV, with ten-year initial terms, renewal rights,
7 and goodwill inuring to PCJV.
- 8 c. The Governing Agreements had no fixed term, required
9 supermajority or mutual consent for termination, and vested day-
10 to-day licensing/operations in PCJV's President and the LA
11 Group.
- 12 d. The parties' performance, regulatory filings, and franchise
13 agreements consistently reflect PCJV's authority to use and
14 license the marks in the U.S. and to grant long-term franchise
15 rights.
- 16 e. Cinco treated its U.S. role as an economic right to share in
17 initial/franchise fees and ongoing royalties paid to or collected by
18 PCJV, while PCJV's business, reputation, and goodwill were tied
19 to U.S. operations.

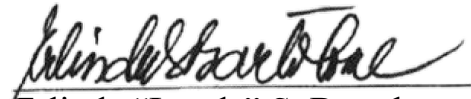
20 33. The above was true when I prepared minutes (2010–2012), assisted with
21 audits and FDDs (starting 2011), observed supermajority officer rights adopted in
22 October 2012, assisted with regulatory/capital issues through 2015, assembled
23 records in 2016, and reviewed the 2018 FDD identifying PCJV as U.S. franchisor (a
24 true and correct copy of which is attached to the Appendix at Trial Ex. 1184).

25 34. At no time during my involvement did Cinco attempt to dissolve PCJV,
26 revoke PCJV's franchisor status, or attempt to terminate PCJV's authority to grant
27 or maintain long-term franchise rights already granted to U.S. franchisees.
28 Franchisees continued operating under PCJV-issued long-term agreements.

1 35. These statements are consistent with the contemporaneous records I
2 handled: board minutes, the JVA and First Amendment, the LLC Agreement, the
3 Master Services Agreement, the 2011 and subsequent FDDs, and executed franchise
4 agreements.

5 I declare under penalty of perjury under the laws of the United States of
6 America that the foregoing is true and correct.

7 Executed September 24, 2025, in Manila, Philippines.

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9 
10 Erlinda "Lynda" S. Bartolome
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